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UNION-BACKED THIRD-PARTY ADVERTISER COULD CREATE BACKLASH FOR SOME CALGARY MUNICIPAL CANDIDATES

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Union-backed Third-Party Advertiser Could Create Backlash for Some Calgary Municipal Candidates



Municipal campaign finance rules are not well known by Calgary voters, but the emergence of a formidable union backed Third-Party Advertiser (TPA), could potentially create backlash for the candidates they endorse for City Council, according to a recent ThinkHQ Public Affairs survey of Calgary voters. The survey finds a large majority of voters (71%) have never heard of the municipal union funded TPA “Calgary’s Future”, the best financed of all the registered TPAs in this election, but with a war chest of over \$1.7 Million a plurality of voters is more likely to respond negatively than positively to the organization and its endorsements.

In the context of the current regulations governing election finance, a large plurality (49%) agrees with the view that “Calgary’s municipal election finance rules are broken and need fixing”, though nearly as many (47%) agree that the current rules are “an improvement over the past”.

Awareness of Current Election Finance Rules

Since the last municipal election, the rules about financing campaigns have changed drastically. Corporate and union donations directly to candidates are now illegal, and individual donations are limited to a maximum of \$5000 per candidate. In tandem with these prohibitions and limits is the rise of organizations called “Third Party Advertisers” (TPAs) which are to operate independent of campaigns but are set up to promote or oppose the election of candidate(s) in the election. TPAs can accept contributions from unions and corporations (up until the start of 2021 there were no limits, but has since been capped at \$30,000 maximum), and must register with election officials and provide annual disclosures of financial contributions.

These new rules are not especially well-known to voters. Only 16% of those interviewed say they are “definitely aware” of the changes, while another 40% have “heard something about it”, and 45% are unaware.

Awareness of “Calgary’s Future” TPA

According to registered financial disclosures, by far the best-funded municipal TPA in this election is *Calgary’s Future*, which is funded almost exclusively by municipal unions. According to its December 2020 financial disclosure, this TPA has a war chest of over \$1.7 Million, and has begun endorsing and running ads in support of some ward councillor candidates.

Over seven-in-ten (71%) are completely unaware of *Calgary’s Future*, while 19% say they have “heard something about it”, and 10% are “definitely aware” of the organization.

Voter Reaction to *Calgary's Future*

Public reaction to this TPA is predominately a mixture of negativity and indifference. A plurality (45%) say they disapprove of the organization (26% strongly), while 17% neither approve or disapprove and one-quarter (24%) are unsure about how they feel about it. Only 14% of voters offer any degree of approval for *Calgary's Future* (only 4% strongly).

- A majority of men (51%) have a negative reaction to this TPA, compared to women (40%)
- While those under 35 offer the most positive reaction to *Calgary's Future*, even among this age cohort, reaction is “net negative” (-10). Negative impressions of the TPA rise sharply with age

In terms of influencing voters, there is significant potential for backlash on candidates endorsed by *Calgary's Future*. For most voters, this sort of endorsement doesn't seem to have much influence: One-quarter (27%) say a *Calgary's Future* endorsement won't make a difference to their vote, and nearly as many (24%) are “unsure”.

Continued ...
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Voter Reaction to *Calgary's Future* ... continued

But for the rest, reaction is considerably more negative than positive, on an almost 4:1 basis. Almost four-in-ten (39%) say they would be less likely to vote for a *Calgary's Future* candidate (23% much less likely) compared to only one-in-ten (10%) who are more likely to support a candidate associated with the TPA.

- Almost one-half (46%) of men say they are less likely to vote for a candidate supported by *Calgary's Future* compared to 32% less likely among women
- The potential for backlash among voters tends to increase sharply with age

Attitudes about Calgary's Municipal Finance Rules

The general consensus among Calgarians is that while the rules today are better than they have been in the past (47% agree with this view vs. 19% who disagree and 34% unsure), they are still “broken and need fixing” (49% agree with this view vs. 16% who disagree and 35% unsure).

Commentary

ThinkHQ Public Affairs Inc. President Marc Henry notes the following on these survey results:

“Campaign finance has long been contentious in municipal elections, and the current iteration of reforms has addressed certain past issues but is far optimal for many voters. The legislation and regulations as they stand today have the nomenclature of transparency, but in practice provisions are not well known, publicized, or understood by voters, and even some candidates.

This is the first election where we’ll have “Third Party Advertisers” (TPAs) participating and the rules around these new entities are a bit confounding. This will also be the first time that we get to see voters’ reaction to this sort of ‘independent’ campaigning, and in some respects, it may depend on who’s behind the TPA and how much they are spending.

The best example is *Calgary’s Future*. This TPA is a goliath; according to disclosures, they have over \$1.7 Million in the bank. That’s more money than all the other registered TPAs put together, and likely a bigger war chest than the top three mayoral campaigns. One would think that capturing an endorsement (and the paid advertising that comes with it) would be of great benefit to council candidates.

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Commentary ... continued

But there's a wrinkle. For many voters, support from a TPA funded almost entirely by City unions evokes a negative response (considerably more than positive) and is likely to influence their choices at the ballot box. There's a risk of backlash for candidates receiving these endorsements and support. If they are branded by voters as 'the union candidate' this TPA support may do them more harm than good on election day, particularly in many of these open ward races where the margins will be quite thin.

To be clear, *Calgary's Future* is not breaking any rules doing what they are doing; they seem to be following the rules to the letter. But in elections, voters tend to believe that money and influence travel together. \$1.7 Million is an awful lot of money, leaving many voters to suspect its being spent to procure a City Council where City unions have an awful lot of influence.”

Research Methodology

Approach

- Online survey of Adult Calgarians
- Region: Calgary proper
- **Field dates:** Sept. 13 - 16, 2021
- **Sample size:** 2021 n=1,109
- **Panel source:** Angus Reid Forum
- Weighted to reflect gender, age and region of Calgary population according to Stats Canada
- A random stratified sample of panelists was invited to complete the survey from the Angus Reid Forum. The margin of error for a comparable probability-based random sample of this size is ***+/- 2.9 percentage points, 19 times out of 20***
- Accuracy of sub-samples of the data decline based on sample sizes

Regional sample sizes: 2021	Total interviews		Margin of error*
	Unweighted	Weighted	
Calgary total	n=1,109	n=1,109	+/- 2.9
Northwest	n=299	n=307	+/- 5.7
Southwest	n=372	n=314	+/- 5.1
Southeast	n=287	n=283	+/- 5.8
Northeast	n=151	n=204	+/- 8.0
New/suburb	n=372	n=391	+/- 5.1
Established community	n=469	n=452	+/- 4.5
Inner city	n=253	n=249	+/- 6.2

*Note: Percentage points. The margin of error is associated with a probability sample of this size

Municipal Campaign Financing: Survey Context and Awareness

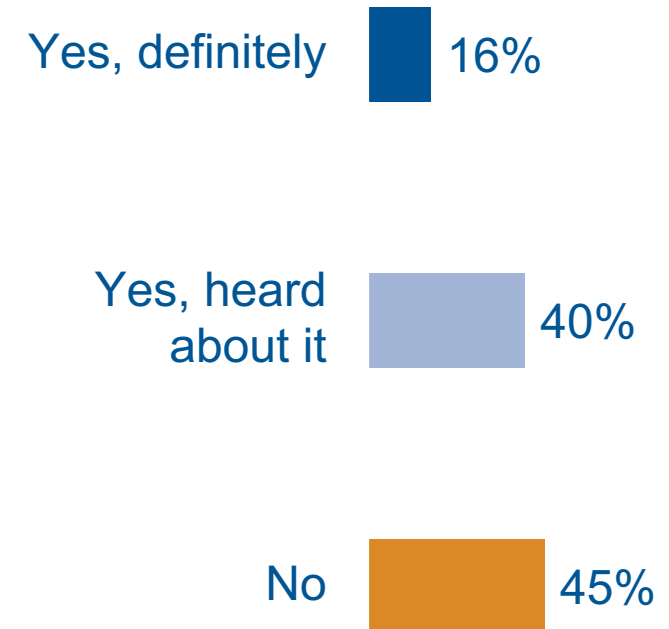
Context given to survey respondents:

For the 2021 municipal election there have been some significant changes to the law governing campaign finance. Corporations and unions are no longer allowed to financially donate directly to municipal candidates, and private individuals are limited to a maximum of \$5,000 in donations to any individual municipal candidate.

Unions and corporations are allowed to financially contribute to organizations called **Third Party Advertisers (TPA)** for a municipal election. **TPAs (which can be an individual, corporation or group) are set up to promote or oppose the election of a candidate or candidates during an election.** They are required to be independent of individual candidate campaigns (they cannot “coordinate” or “collude” with them), and they must register with election officials and provide annual disclosures of financial contributions.

Up until 2021, there were no limits placed on financial contributions to TPAs (individuals, corporates and unions could contribute as much as they wanted), however in January a cap of \$30,000 was placed on financial donations.

Before today, were you personally aware of the rules governing the financing of municipal elections?



Base: All respondents (n=1,109)

Awareness of “Calgary’s Future” TPA

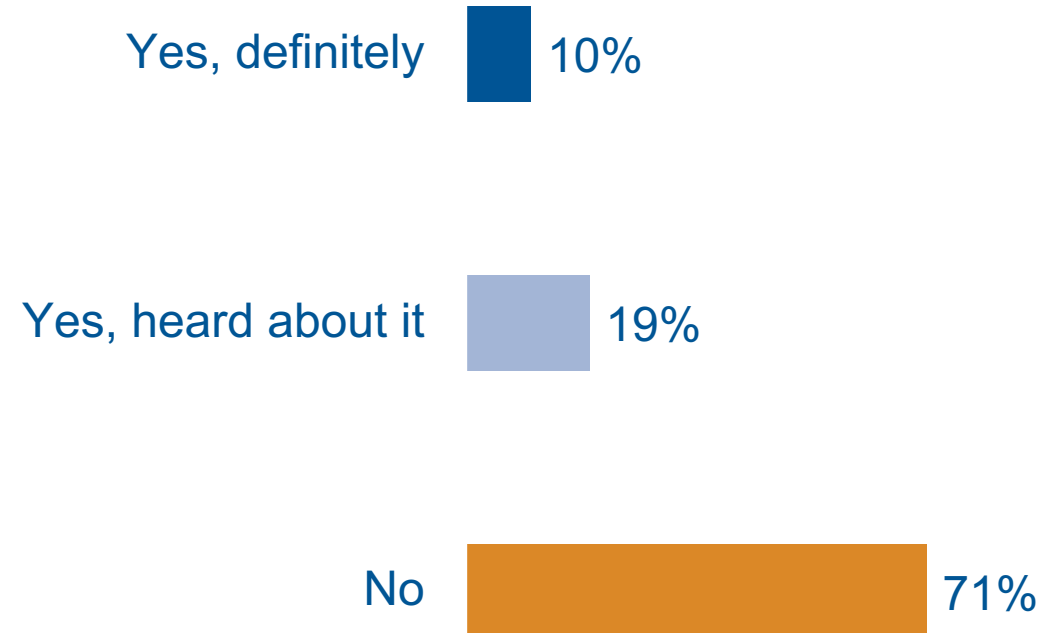
Context given to survey respondents:

The largest of the new Third Party Advertisers (TPAs) operating for the upcoming municipal election in Calgary is called “**Calgary’s Future**”.

This TPA is funded almost exclusively by contributions from municipal unions (CUPE 37 & CUPE 38 and the Transit Union), and according to its financial disclosure of December 2020, had just over \$1.7 Million for promotion of candidates in the upcoming election.

Calgary’s Future has begun endorsing and running ads in support of some ward councillor candidates.

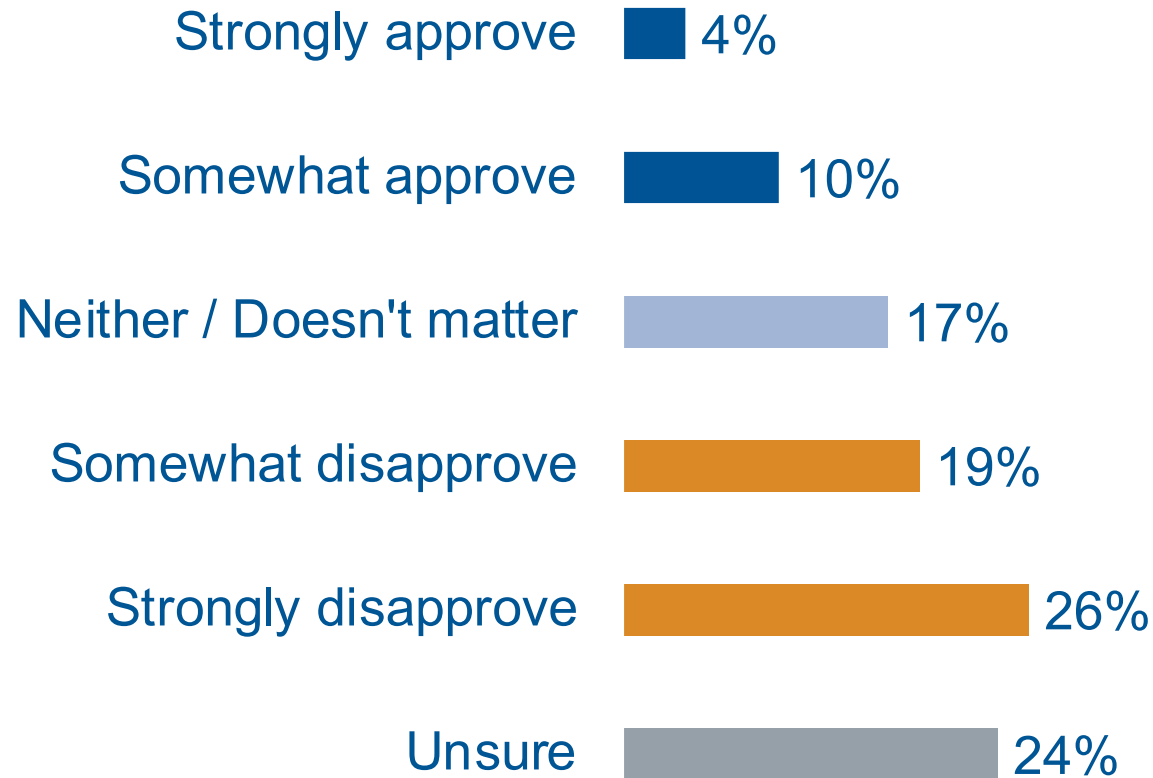
Before today, were you personally aware of the municipal TPA Calgary’s Future?



Base: All respondents (n=1,109)

Approval of “Calgary’s Future” TPA

And generally speaking, would you say that you personally approve or disapprove of the TPA Calgary’s Future?



Approve	14%
Disapprove	45%
NET	-31

Base: All respondents (n=1,109) | NET: Approve minus disapprove

Approval of “Calgary’s Future” TPA

- By Gender and Age

And generally speaking, would you say that you personally approve or disapprove of the TPA Calgary’s Future?

	TOTAL	Gender		Age (years)		
		Male	Female	<35	35-54	55+
Base Size:	(n=1,109)	(n=548)	(n=550)	(n=346)	(n=433)	(n=330)
Approve	14%	15%	13%	20%	13%	9%
Neither / Doesn't matter	17%	16%	18%	22%	18%	11%
Disapprove	45%	51%	40%	30%	44%	62%
Unsure	24%	18%	29%	28%	25%	18%
(NET)	-31	-36	-27	-10	-31	-53

Base: All respondents | NET: Approve minus disapprove



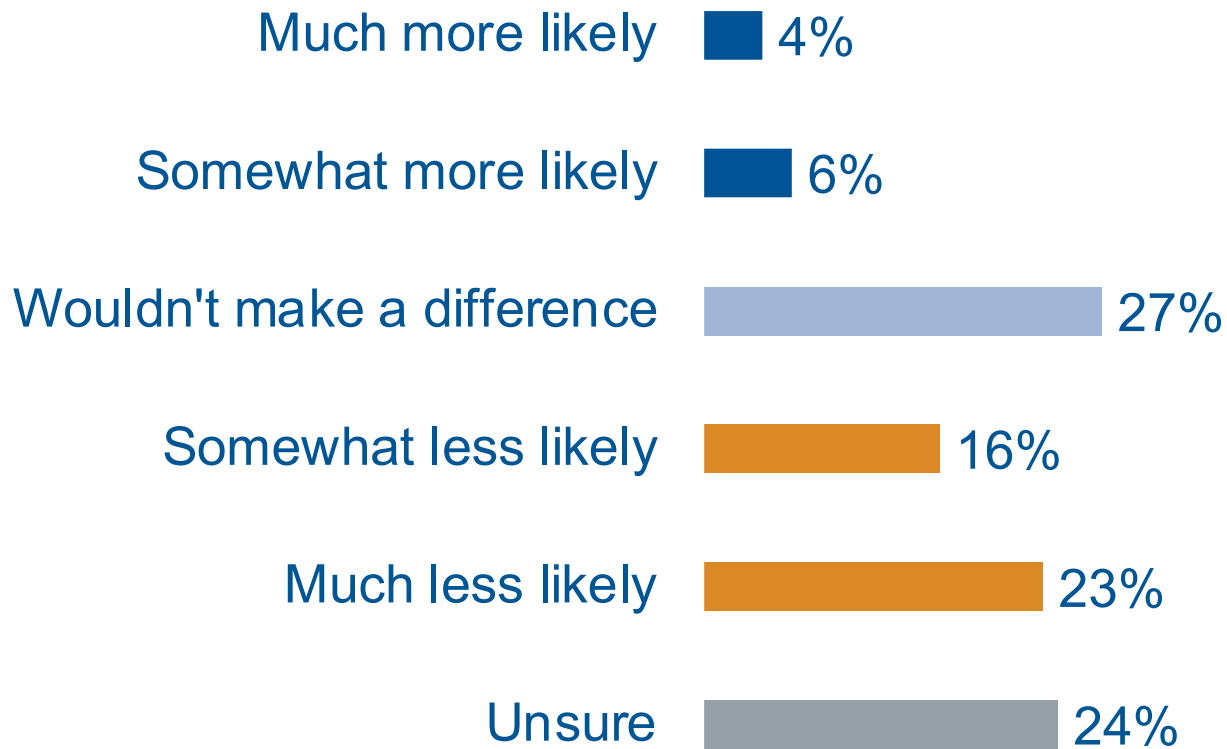
Significantly higher



Significantly lower

Likelihood to Vote for “Calgary’s Future” Endorsed Candidate

Would you personally be more likely or less likely to vote for a candidate who had been endorsed by the Calgary's Future TPA?



More likely	10%
Less likely	39%
NET	-29

Base: All respondents (n=1,109) | NET: More likely minus less likely

Likelihood to Vote for “Calgary’s Future” Endorsed Candidate

- By Gender and Age



Would you personally be more likely or less likely to vote for a candidate who had been endorsed by the Calgary's Future TPA?

	TOTAL	Gender		Age (years)		
		Male	Female	<35	35-54	55+
Base Size:	(n=1,109)	(n=548)	(n=550)	(n=346)	(n=433)	(n=330)
More Likely	10%	11%	10%	13%	10%	8%
No Difference	27%	25%	29%	35%	26%	21%
Less Likely	39%	46%	32%	25%	40%	52%
Unsure	24%	18%	29%	28%	25%	19%
(NET)	-29	-35	-22	-12	-30	-44

Base: All respondents | NET: More likely minus less likely



Significantly higher



Significantly lower

Calgary's Municipal Election Financing Rules

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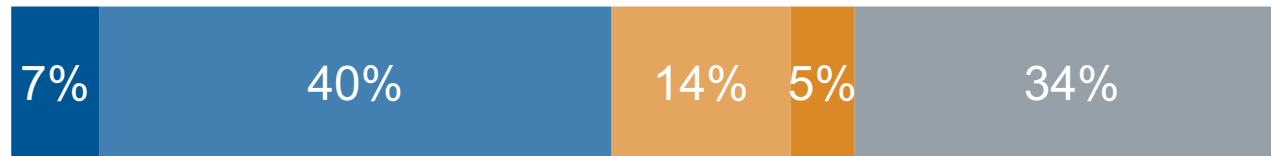


The following are statements that some people might say about Calgary's current municipal election financing rules. To what extent do you personally agree or disagree with each?

■ Strongly agree
 ■ Somewhat agree
 ■ Somewhat disagree
 ■ Strongly disagree
 ■ Unsure

NET
Agree

The election financing rules today aren't perfect, but are better than in the past

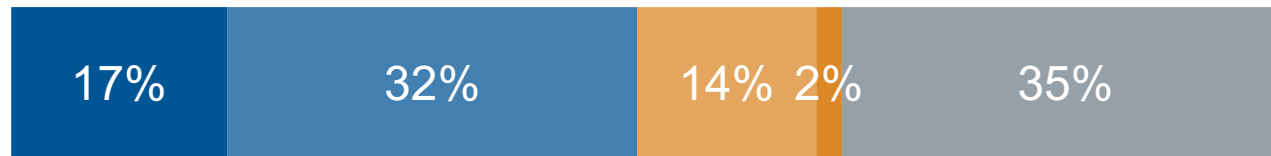


Agree: 47%

Disagree: 19%

+28

Calgary's municipal election finance rules are broken and need fixing



Agree: 49%

Disagree: 16%

+33

Base: All respondents (n=1,109) | NET: Agree minus disagree



FOR MORE INFORMATION, CONTACT:

Marc Henry, President

ThinkHQ Public Affairs Inc.

Marc@ThinkHQ.com

403.605.8587